

CONRAD-FEINGOLD-DOMENICI BUDGET AMENDMENT

On June 20, Senate Budget Committee Chairman Kent Conrad (D-ND), Senator Russell Feingold (D-WI), and Senator Pete Domenici (R-NM) offered a modified budget amendment to the defense authorization bill under consideration in the Senate. The amendment, which was developed through a bipartisan negotiation process, would set discretionary spending caps for fiscal years 2003 and 2004, as well as renew budget enforcement provisions that are set to expire this fall.

The following is a summary of the key provisions contained in the budget amendment:

Fiscal Year 2003-2004 Spending Provisions

- **Establishes Discretionary Spending Limits.** Establishes discretionary spending caps for fiscal year 2003 that set total budget authority at the level proposed in the President's budget (\$768.1 billion, as estimated by CBO). Establishes discretionary spending caps for fiscal year 2004 that set total budget authority at the level proposed in the budget resolution passed out of the Senate Budget Committee (\$786.5 billion – an increase of only 2.4 percent over the 2003 level). To protect defense funding, provides a 'defense firewall' for fiscal year 2003 – requiring 60 votes to move any defense funds to non-defense accounts.
- **Provides for 302(a) Allocations to the Appropriations Committee.** Provides for spending allocations for fiscal year 2003 that are consistent with the statutory caps on discretionary spending to be made to the Senate Appropriations Committee. This will allow points of order to be made against appropriations bills that exceed subcommittee allocations.
- **Limits Advance Appropriations.** Extends Senate rule limiting advance appropriations. Increases last year's limit by \$2.244 billion to accommodate funding for IDEA and No Child Left Behind Act programs.

Five-Year Extension of Budget Enforcement Provisions

- **Extends Senate Supermajority Enforcement of Budget Points of Order.** Extends for five years the provisions of the Budget Act, currently set to expire September 30, 2002, which require 60 votes to waive certain budget points of order in the Senate. These points of order include those protecting Social Security; limiting total budget authority, outlays and tax cuts; and enforcing discretionary spending caps, as well as committee and subcommittee spending allocations.
- **Extends Budget Enforcement Act Provisions.** Extends for five years the provisions of the Budget Enforcement Act, most of which are set to expire September 30, 2002, which enforce discretionary caps and pay-as-you-go rules (requiring increases in mandatory spending or tax cuts to be offset) through sequestration after Congress adjourns each year.
- **Extends Senate Pay-As-You-Go Rule.** Extends for five years the Senate pay-as-you-go point of order against any piece of legislation that would use Social Security surpluses to pay for new mandatory spending or tax cuts.